

## Crude Oil



Inventories were expected to rise by 2.4 million barrels, they fell instead by 0.5 million. Although inputs to refineries fell by 1.3%, this was offset by a decline in domestic production of 1.7% and a fall in imports of 4%. The decline was in sharp contrast to the five-year average increase of 3.5 million for this time of year. Crude stocks are now 0.4% below last year but 6.3% above the 5-year average. Current inventory levels are at their second highest level for this date since 1994.

Reversing 4 weeks of price increases, crude prices have fallen over the past 2 weeks as China has acted to cool its economic growth and the dollar has strengthened. Spot prices fell by \$2.24 this past week to \$77.39, \$38.85 (101%) higher than a year ago but 46.7% lower than 2008's peak price. Futures prices closed yesterday at \$80.28, down \$2.23 for the week. They are \$31.52 (64.6%) higher than last year but 45.2% below 2008's peak price.

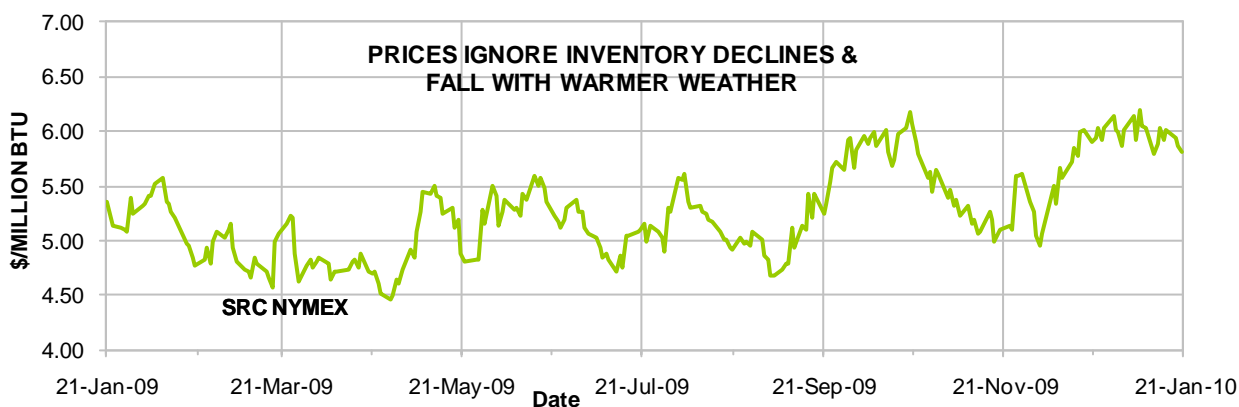


## Natural gas



After falling by 266 BCF last week, natural gas inventories fell another 245 BCF this past week. Both are record highs for their time periods. The latest decline was 108% greater than the five-year average decline. Cumulative inventory withdrawals for this heating season are 55% above the 5-year average. At 2,607 BCF, this week's inventory is only 0.8% higher than a year ago and it is 0.2% below the five-year average, but it is the second highest ever for this time period.

Frigid winter weather and large inventory draws had driven prices higher over the previous 5 to 6 weeks but more moderate weather and forecasts of warm weather have reversed this trend. Futures prices fell by 37.9 cents per million BTU the past 2 weeks. The 12-month strip settled yesterday at \$5.813 per million BTU, 10.6% higher than a year ago but 56.4% below the 2008 peak. With a decrease of 88 cents the past 2 weeks, spot prices fell to \$5.540 per million BTU yesterday. Spot prices are 14.0% higher than a year ago but 58.4% below their 2008 peak price.

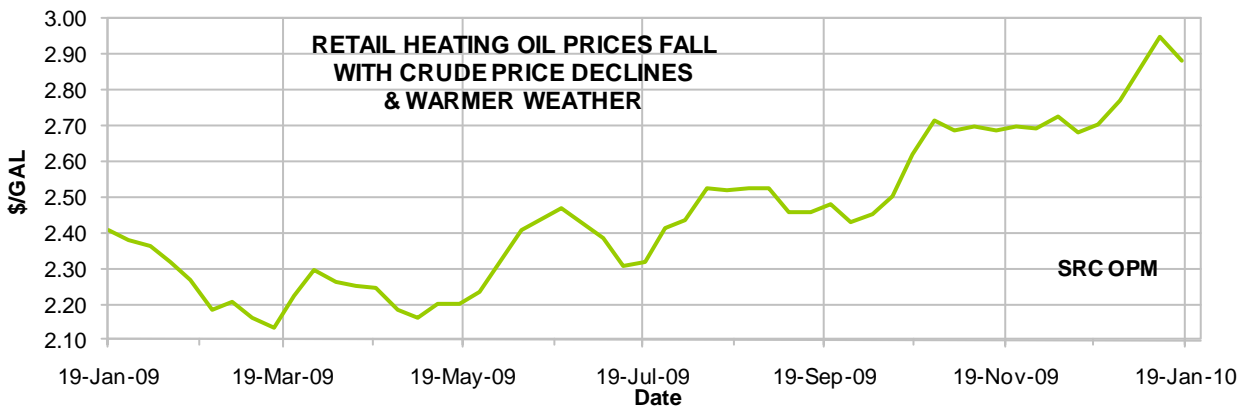


# Heating oil



Distillate stocks fell by 3.3 million barrels this past week compared to an expected decline of 0.1 million as demand increased by 5.8%, production fell by 9.6% and imports dropped by 49.3%. Inventory levels are now 8.5% above last year and 16.4% above the five-year average.

The 12 month strip fell by 5.9 cents this week and is now at \$2.108/gal, 63 cents (42.3%) higher than a year ago. The spot price fell by 8.7 cents and is at 1.994 /gal, 58 cents (41.2%) above last year. The spot price is 51% below its 2008 peak and the 12 month strip is 50% below its 2008 peak. Increased heating demand and higher crude prices had pushed retail heating oil prices up by 27.1 cents over the past 4 weeks. Falling crude prices and warmer weather pushed prices down by 6.5 cents this past week. At \$2.885/gal, prices are 47.6 cents (19.7%) above a year ago but are \$1.88 (39.5%) below the 2008 peak price. The highest price in this week's survey was \$3.499 and the lowest was \$2.579. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



## Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
19-Jan-09	2.591	2.949	2.399	2.415	3.490	2.050	2.411	2.599	2.149
4-Jan-10	2.981	3.299	2.640	2.854	2.999	2.660	2.941	3.199	2.729
11-Jan-10	3.075	3.499	2.740	2.924	3.099	2.740	3.004	3.299	2.789
18-Jan-10	3.027	3.499	2.600	2.842	3.049	2.599	2.898	3.299	2.679
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
19-Jan-09	2.291	2.399	2.150	2.478	2.599	2.290	2.271	2.499	2.179
4-Jan-10	2.913	2.999	2.799	2.848	2.999	2.699	2.784	2.899	2.700
11-Jan-10	2.993	3.099	2.899	2.949	3.099	2.790	2.878	2.979	2.800
18-Jan-10	2.875	2.999	2.799	2.941	3.099	2.790	2.809	2.899	2.700
	NEW HAVEN								
	AVG	HIGH	LOW						
19-Jan-09	2.352	2.599	2.059						
4-Jan-10	2.773	2.959	2.530						
11-Jan-10	2.872	3.099	2.650						
18-Jan-10	2.818	3.099	2.579						

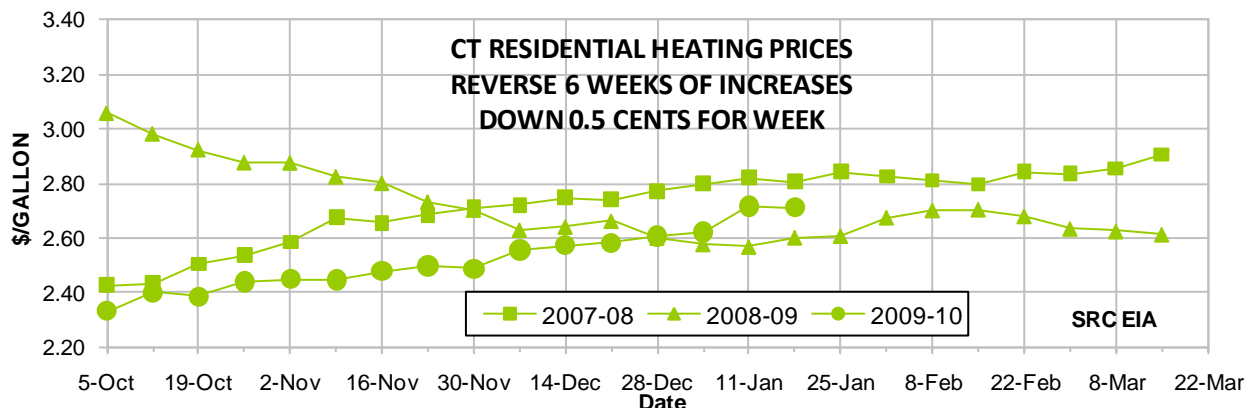
OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning January 18, 2009. Figures reflect per gallon prices without discount.

For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Propane inventory levels declined by 4.8 million barrels this past week, 62% higher than the five-year average decline of only 3.0 million. Since October 9<sup>th</sup> inventories have fallen by 31.8 million, 103% greater than the 5-year average decline. Current storage levels now trail last year's levels by 19.4% and they have worsened to 19.3% below the five-year average. Monday's Connecticut retail propane heating price survey showed an average price of \$2.711/gal, 0.5 cents/gal lower than the previous week. Prices are 4.2% (10.9 cents) higher than a year ago but 11.3% (34.6 cents) lower than the peak 2008 price. Propane spot prices were 0.4 cents higher this week, settling at \$1.256 per gallon yesterday. This was 54.1 cents (75.5%) higher than a year ago but 36.5% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



# Gasoline



Inventories rose by 4.0 million barrels this week as weak demand and increased production offset a decline in imports. The inventory gain was slightly higher than the five-year average gain of 3.5 million. Inventories levels are 3.8% above last year and 4.8% above the five-year average.

Wednesday's spot price was \$2.034/gal, 86.3 cents (73.6%) higher than last year. The 12-month strip, at \$2.106/gal, was 84 cents (66.3%) higher than a year ago. Falling crude prices and weak demand resulted in Connecticut retail prices going up by only 0.1 cents this past week after rising by 13.6 cents over the previous 3 weeks. At \$2.909/gal, retail prices are \$1.023 (54.2%) higher than a year ago but 33.7% below 2008's peak. While spot prices have risen by 74% over the past year and futures have risen by 66%, Connecticut retail prices have only risen by 54% because of continued weak demand.

